Reichhold Chemicals (Canada) Limited Annual Report 1972 Rapport Annuel

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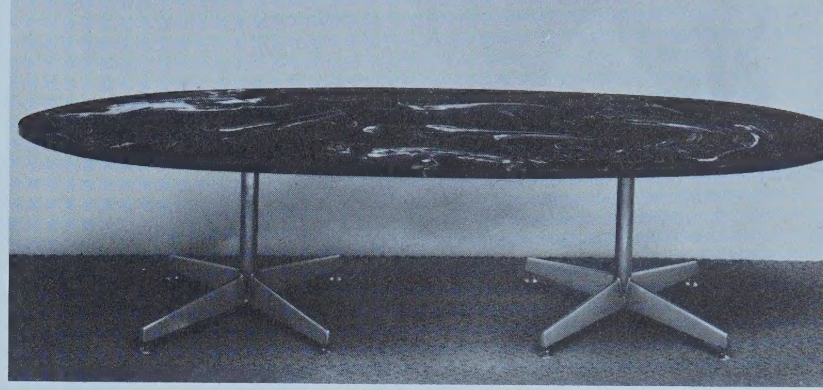
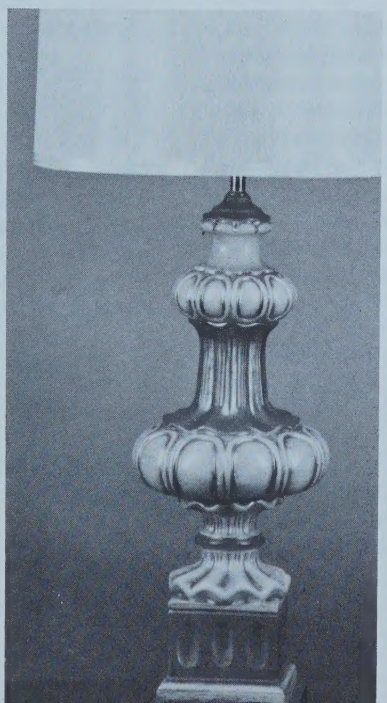




Brian Gallagher
Treasurer

Donald McNabb
Executive Vice-President

George Hagen
President

To our shareholders

We can again report the best year in the Company's history for sales and profits. In 1972, the Company had net earnings of $980,969 or $2.04 per share. This is a 91% increase over 1971. Sales were $27,252,000, up 12.6% over last year.

Although the Canadian economy expanded in 1972, Reichhold's gains outpaced it by a wide margin. The Company's improvement in earnings is due primarily to a long term program of cost reduction, new products, better plant efficiency and better marketing. We expect profits to continue on an upward trend.

The diversity of our product lines provides for balanced growth. Our broad marketing base is not dependent on any single industry. A severe slow-down in one of the industries served does not seriously affect overall sales and earnings. During 1972, the most significant gains in sales came from resins for surface coatings, plastics, and particle board, and phenolic molding compounds. All other product groups also had substantial sales increases except those for the Western Canadian plywood industry. These were affected by an industry strike during the year.

This year this report features the plastics business. How Reichhold participates in this rapidly expanding industry is shown in the sections that follow.

Long and short range formal planning has become a powerful management tool at Reichhold. Each division of the Company continually updates its own business plan, highlighting areas for market exploitation or increased productivity and cost efficiency. These dynamic plans result from a team effort with input from marketing, development and production groups. Over the past three years, all levels of management have been able to plan more effectively because of the introduction of a sophisticated management information system.

Capital expansion projects in 1972, as in the past, were directed at lowering cost and increasing production. Most of the funds were spent at three of the Company's major resin plants. The emphasis was on greatly expanding the Weston plant in PVA emulsions (for paint and adhesives), alkyds (for paints), and polyesters (for plastics). Total capital investment in the future of the Company in 1972 was slightly more than one million dollars. All of this was obtained from cash flow without additional outside financing.

We have budgeted a further $1.4 millions for improvement and expansion in 1973. The emphasis will be in expanding our printing ink manufacturing facilities across Canada, continued expansion of the Weston plant and a major expansion of the alkyd and polyester plant in Ste. Therese.

The Company's expansion program is carefully designed from marketing plans, strategies and forecasts for the next several years. The research and development and engineering groups have designed highly efficient and novel manufacturing processes. The new plants are based on new technology. Our rate of expansion is geared to financial forecasts and will be financed from internally generated funds. Outside financing, if utilized, will be for new acquisitions. The experience and success with Canada Printing Ink has given us the confidence and ability to expand through the acquisition route.

Over the next five years, our efforts will be directed toward controlled growth and a steady increase in profitability.

The Company's remarkable profit growth would have been impossible without the dedication and hard work of all our employees. My thanks go to the many men and women who made it happen.

George L. Hagen,
President

A nos actionnaires

Une fois de plus, l'exercise s'est soldé, au point de vues des ventes et des profits, par une réalisation exceptionnelle dans les annales de la Compagnie.

En 1972, les bénéfices nets de la Compagnie s'élevaient à $980,969, soit $2.04 par action. Par rapport à 1971, il s'agit d'une augmentation de 91%. Les ventes se chiffraient à $27,252,000, soit 12.6% de plus que l'année dernière.

Bien que l'économie canadienne ait prospéré en 1972, les gains de Reichhold ont dépassé, et de loin, les prévisions les plus optimistes. L'amélioration constatée dans les bénéfices de la compagnie est imputable principalement à un programme à longue échéance de réduction des prix de revient, à de nouveaux produits, à une amélioration de l'efficacité de l'usine et à une meilleure mise en marché. Nous espérons que la tendance ascendante des profits se maintiendra.

La diversité de notre gamme de produits permet une expansion équilibrée de nos affaires. Très vaste, la base de notre commercialisation ne repose pas sur une industrie unique. Un grave ralentissement dans l'une des industries que nous servons n'a affecté sérieusement ni les ventes ni les bénéfices globaux. Au cours de l'année 1972, les bénéfices les plus significatifs réalisés sur les ventes étaient issus des résines pour les revêtements de surface, des plastiques, des panneaux d'agglomérés, et des composés phénoliques pour moulages. Tous les autres groupes de produits ont enregistré eux aussi une augmentation des ventes, sauf ceux destinés à l'industrie canadienne de l'ouest des contreplaqués, lesquels ont subi le contre-coup des grèves.

Cette année, ce rapport a trait aux plastiques. La rapide expansion de cette industrie et la place qu'y occupe Reichhold sont exposées dans les sections qui suivent.

Chez Reichhold, la planification à longue et courte échéance est devenue un puissant facteur de gestion. Chaque division de la Compagnie procède sans interruption à la mise à jour de nos propres plans, faisant ressortir les zones d'exploitation du marché ou la productivité accrue et le coefficient de rendement. Ces plans dynamiques sont le résultat d'un effort d'équipe dont l'énergie émane des groupes de commercialisation, exploitation et production. Au cours des trois dernières années, la direction, à tous les échelons, a été à même de dresser ses plans plus efficacement par suite de l'introduction d'un système de gestion extrêmement au point.

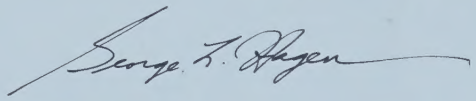
Comme par le passé, les projets d'expansion en capital ont été centrés, en 1972, sur un abaissement des prix de revient et une augmentation de la production. La plupart des fonds étaient destinés aux trois usines principales de résines de la Compagnie. Il s'agissait d'agrandir l'usine de Weston pour les émulsions PVA (pour peintures et adhésifs), alkydes (pour peintures) et les polyesters (pour plastiques). En 1972, l'investissement total en capital dans l'avenir de la Compagnie a légèrement dépassé le million de dollars. Cette somme provenait du cash flow, sans financement supplémentaire extérieur.

Nous avons consacré un budget supplémentaire de $1.4 million à l'amélioration et à l'expansion en 1973. Nous nous attacherons surtout à agrandir nos aménagements pour les encres d'imprimerie dans tout le Canada, à poursuivre la réalisation de nos projets quand à notre usine de Weston et à procéder à une expansion majeure de notre usine d'alkydes et de polyesters de Sainte-Thérèse.

Le programme d'expansion de la Compagnie est méticuleusement conçu en partant des plans de commercialisation, de la stratégie envisagée et des prévisions pour les quelques années à venir. Les groupes recherche, exploitation et technique ont conçu des procédés de fabrication nouveaux et extrêmement efficaces. Les nouvelles usines sont basées sur la technologie moderne. Notre taux d'expansion est calculé en fonction des prévisions monétaires et il sera alimenté par des sources internes de revenus. Le financement extérieur, si nous y faisons appel, servira aux acquisitions nouvelles. Le succès remporté avec Canada Printing Ink nous a donné la confiance et la possibilité d'étendre nos affaires en faisant des acquisitions.

Au cours des cinq prochaines années, nos efforts tendront à l'expansion contrôlée et à une augmentation uniforme des profits.

L'accroissement des profits de la Compagnie aurait été impossible sans l'application et le dévouement au travail de tous nos employés. Je les remercie tous pour avoir été les artisans de notre succès.



George L. Hagen
Président

Strength, Beauty and Versatility — Reichhold Rigid Plastics

Reichhold Chemicals is a major Canadian producer of resin based intermediates for rigid plastics. Our trade names, POLYLITE, UROTUF, PLYOCITE and VARCUM, may not be familiar to the average person, but they are of prime importance to the mushrooming plastics industry. Plastic fabricators depend on Reichhold products and know-how.

Imagination, research and co-operation with segments of all industry have led to new exciting applications for plastic materials. This phase of our business is one of our most interesting areas for growth.

Architects and industrial designers are turning to plastics to create new concepts in design to satisfy contemporary needs for beauty and utility. Rigid plastics can be formed to any shape. Today's plastic products will retain their shape, strength and beauty for many years. The tough, long lasting physical properties of modern rigid plastics are making them a practical and welcome addition to wood and metal for many applications.

Reichhold's plastic resin intermediates include a diverse line of polyester, urethane and phenolic resins and compounds and an attractive line of resin treated overlays for panel board.

Polyester resins are used principally in fiberglass reinforced plastics (FRP). The grace of a thirty-five foot sailboat and the ruggedness of a machine housing or truck fender can be molded from FRP.

The rose imbedded in clear plastic, or the sea shell vanity top, or the buttons on your shirt are likely made from Reichhold's crystal clear casting polyester resin. Would you believe that more than a million pounds of polyester is used annually to make buttons in Canada?

Rigid urethane foams are used to insulate buildings, storage tanks and other articles of all sizes and shapes. This same type of material, in a higher density, is used to mold intricately carved wood-like designs for premium furniture.

Reichhold's phenol formaldehyde molding compounds are the tough black or brown plastics used in appliance handles, electrical components and in a wide variety of other products. Their durability, low cost and resistance to heat and electricity have made them long-time favorites for special applications.

The luxurious wood-like veneer on contemporary kitchen cabinets and furniture or the smooth surface on a concrete form could well be made from Reichhold's resin impregnated overlays.

The camp trailer and mobile home industry is growing at a rapid rate. Its success is due in large part to its inventive use of modern plastics. Many mobile homes are fabricated from FRP and insulated with urethane foam. The bathroom and much of the furniture are molded from FRP. The cabinets are covered with a decorative overlay.

This technique is not limited to mobile homes. Tractor trailer bodies are now made from FRP and insulated with urethane foam. The plastic skylight is made from translucent FRP.

The automotive industry has found plastic materials indispensable for many components. The bodies of recreational vehicles such as snow-mobiles, dune buggies and motorized golf carts are molded from FRP.

All sizes and shapes of boats from thirty-five foot sailboats to powerboats and canoes are made from FRP. Few boats under thirty-five or forty feet will likely be made from anything else.

Fiberglass reinforced plastics complement steel in many areas. Large diameter Municipal pipelines, bathtubs, shower stalls and storage tanks are made from FRP.

Urethanes, water filled polyesters and resin treated overlays occupy a special place with wood in furniture.

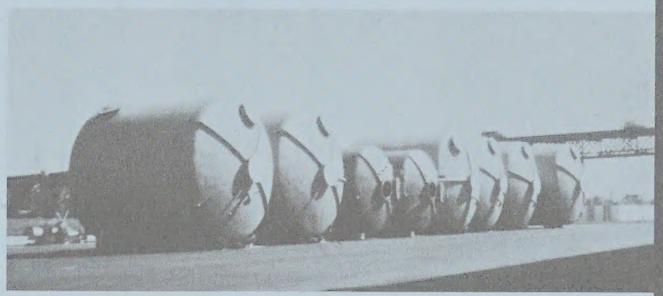
Much of the contemporary commercial furniture in shopping plazas, airports and sport stadiums are made from FRP.

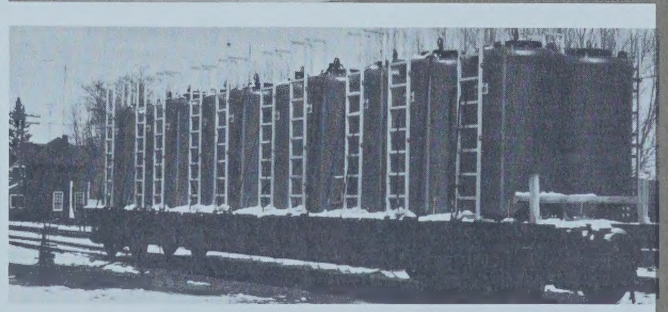
Perhaps the greatest area for growth for our rigid plastic systems is residential and commercial building construction. Stone cladding for outside walls is made from polyester casting resins. Highly efficient spray-on insulation is made from urethane resins. Modern building techniques are increasing the use of rigid plastics in many phases of construction.

The recent introduction of a new cold-weather polyurethane foam system has been an important cornerstone in our sales of insulation resins. We supply urethane foam intermediates for insulating panels, but more important are our spray systems. They allow contractors to insulate any shape or size quickly, efficiently and in almost any weather condition. Our systems can be used to insulate buildings, pipelines, freezers, refrigerators, cars and trucks, one gallon thermos bottles to 20,000 gallon storage tanks.

The Company supplies a series of easy to handle phenolic resins to bind glass wool and mineral wool for insulation batting. With the growing energy shortage, insulation is becoming a greater factor in building.

The Company looks forward to a bright future for plastic intermediate resins. These are an important contributor to our overall profit. Canadian forecasts for new building, consumer spending and increased leisure time auger well for this product line.





Reichhold's Canadian made plastic intermediate resins are used in the following products and many more:

Construction Products for the Residential, Commercial and Industrial Markets including Utilities:

Paints and coatings . . . insulating foams . . . utility poles . . . skylights . . . roofing panels . . . stone faced decorative cladding panels . . . decorative overlays for panels . . . electric switch boxes and connectors . . . septic tanks.

Industrial Fabricated Products:

Molding compounds . . . electrical encapsulating compounds . . . glass mat . . . storage tanks . . . effluent pipe . . . concrete forms . . . hard hats . . . machine housings.

Consumer, Home Furniture and Leisure Time Products:

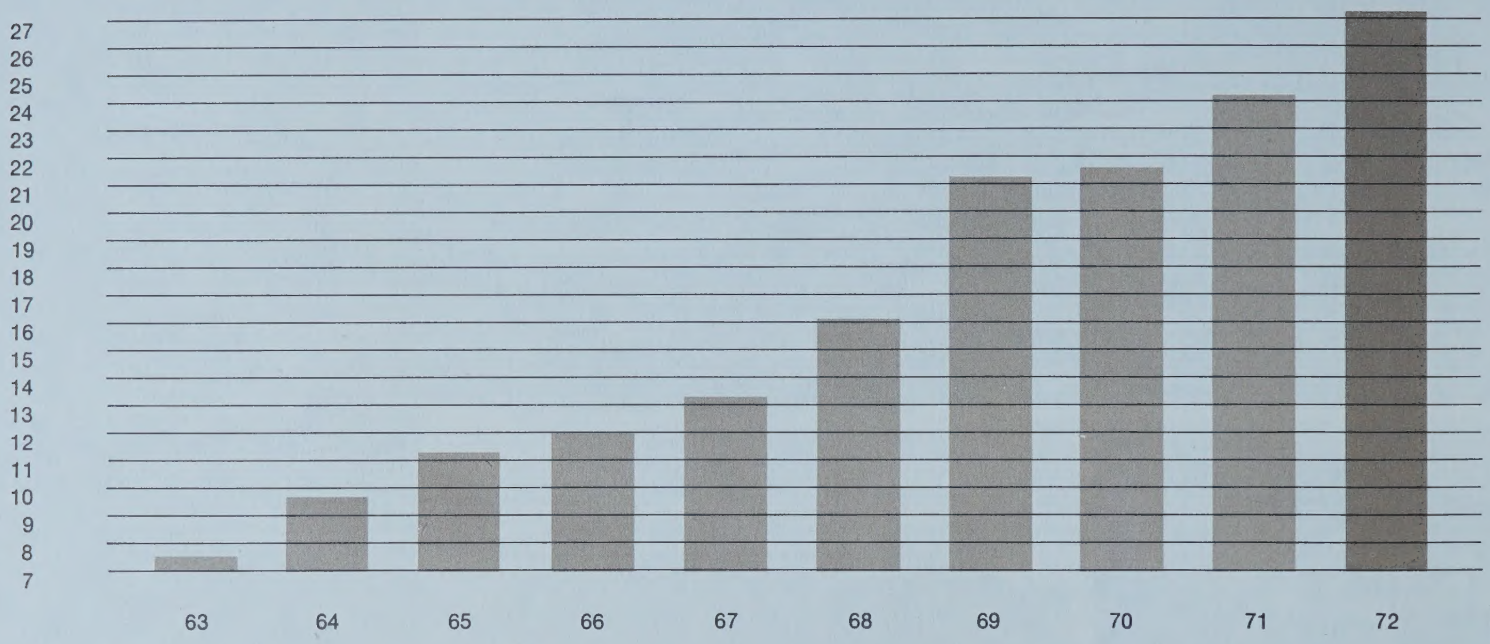
Swimming pools . . . pool and patio furniture . . . golf cart, snowmobile and all-terrain vehicle bodies and parts . . . commercial and pleasure boats . . . fishing rods . . . refrigerator and freezer parts and insulation . . . molded parts for radios, TV sets, projectors and appliances . . . bathtubs and shower stalls . . . shoes . . . commercial and residential furniture . . . simulated marble . . . lampbases, decorative plaques, mirror and picture frames, statuary, giftware.

Transportation:

Fiberglass reinforced plastics for bodies and parts for cars, trucks, trailers, mobile homes, hovercraft, aircraft, trains and subway cars . . . automotive heaters and air conditioners . . . dashboards . . . fenders . . . phenolic molding compounds for distributor and coil caps.

10 years of sales growth

(millions of dollars)



distribution of sales dollars

(dollars per $1,000 sales)

	1972	1971
Raw Material & Container Costs	**$ 602**	$ 607
Payroll Costs	**144**	159
Services & Other Expenses	**115**	129
Freight	**46**	39
Depreciation	**25**	22
Federal & Provincial Income Taxes	**33**	22
Net Income Retained	**28**	17
Cash Dividends Paid	**7**	5
	$1,000	$1,000

dollar sales product mix

34%
Decorative Overlays, Specialty Industrial Resins, Adhesives, Chemicals, Oils, Printing Inks, and Supplies.

30%
Resins for Paint, Floorwax Surface Coatings.

17%
Plastics and Molding Compounds for Electrical Appliances, Transportation, Recreation, Industrial, Decorative Applications

19%
Resins for Forest Products Plywood, Particle Board, Paper.

consolidated statement of earnings and retained earnings

Year ended December 31, 1972 with comparative figures for 1971

	1972	1971
Net sales	$27,252,252	$24,204,914
Cost of sales	19,997,182	18,281,424
Gross profit	7,255,070	5,923,490
Selling, general and administrative expenses	5,040,649	4,478,345
Net operating profit	2,214,421	1,445,145
Other expenses:		
Interest on long term debt	340,000	340,000
Other interest	48,333	58,787
	388,333	398,787
Earnings before income taxes	1,826,088	1,046,358
Income taxes:		
Current	780,015	512,320
Deferred	65,104	21,700
	845,119	534,020
Net earnings	980,969	512,338
Retained earnings, beginning of year	3,159,076	2,762,232
	4,140,045	3,274,570
Deduct dividends	144,368	115,494
Retained earnings, end of year (note 3)	$ 3,995,677	$ 3,159,076
Earnings per share (note 6)	$ 2.04	$ 1.06
(Fully diluted earnings per share for 1972 $1.77; 1971 — $.96)		
The above statement of earnings includes the following charges:		
Depreciation	$ 580,998	$ 538,457
Amortization of debt discount and financing expense and deferred charges	37,164	28,563
Amortization of goodwill (note 1)	16,476	12,357
Directors' and Senior Officers' Remuneration	168,400	154,400

See accompanying notes to consolidated financial statements.

consolidated balance sheet

Year ended December 31, 1972 with comparative figures for 1971

Assets	1972	1971
Current Assets:		
Cash	$ 157,134	$ 191,532
Short term notes receivable	600,000	1,100,000
Marketable securities, at cost (quoted value $20,125; 1971 — $20,625)	25,000	25,000
Accounts receivable:		
Trade	4,260,854	3,849,201
Other	253,869	280,332
	4,514,723	4,129,533
Less allowance for doubtful accounts	241,534	144,521
Net receivables	4,273,189	3,985,012
Inventories, at the lower of cost and net realizable value:		
Raw materials	1,301,423	1,207,008
Finished goods	2,700,716	2,233,311
Total inventories	4,002,139	3,440,319
Prepaid expenses	141,952	96,268
Total current assets	9,199,414	8,838,131
Fixed assets:		
Buildings and equipment, at cost	11,200,342	10,143,539
Less accumulated depreciation	6,322,475	5,748,212
	4,877,867	4,395,327
Land, at cost	136,393	129,018
Net Fixed Assets	5,014,260	4,524,345
Other assets, at cost less amortization:		
Deferred development costs and other items	81,302	108,590
Unamortized debt discount and financing expense	156,095	165,371
Goodwill, being the excess of cost over recorded equity of a subsidiary at date of acquisition (note 1)	135,948	152,424
Total other assets	373,345	426,385
	$14,587,019	$13,788,861

See accompanying notes to consolidated financial statements.

liabilities and shareholders' equity

	1972	1971
Current liabilities:		
Bank advances, secured (note 2)	$ 813,000	$ 962,000
Accounts payable and accrued expenses	2,642,448	2,513,423
Due to associated company, Reichhold Chemicals Inc.	214,385	190,918
Income taxes payable	341,385	417,584
Total current liabilities	4,011,218	4,083,925
8½% sinking fund debentures, Series A (note 3)	4,000,000	4,000,000
Deferred income taxes	823,304	758,200
Minority shareholders' interest in subsidiary company (note 4)	—	31,140
Shareholders' equity:		
Capital stock (note 5):		
Common shares without nominal or par value		
Authorized 2,287,500 shares		
Issued 481,249 shares; 1971 — 481,224 shares	321,116	320,816
Contributed surplus	1,435,704	1,435,704
Retained earnings (note 3)	3,995,677	3,159,076
Total shareholders' equity	5,752,497	4,915,596
Commitments (note 7)		
	$14,587,019	$13,788,861

On behalf of the Board: D. G. McNabb, Director, G. L. Hagen, Director.

Auditors' Report to the shareholders

We have examined the consolidated balance sheet of Reichhold Chemicals (Canada) Limited and subsidiaries as of December 31, 1972 and the consolidated statements of earnings and retained earnings, contributed surplus, and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the companies at December 31, 1972 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

PEAT, MARWICK, MITCHELL & CO.,
Chartered Accountants,
Toronto, Ontario, February 16, 1973.

consolidated statement of source and application of funds

Year ended December 31, 1972 with comparative figures for 1971

	1972	1971
Funds provided:		
Net earnings	$ 980,969	$ 512,338
Add charges not requiring cash expenditure:		
Depreciation and amortization	634,638	579,377
Loss on disposals of fixed assets	3,264	14,993
Deferred income taxes	65,104	21,700
Funds provided from operations	1,683,975	1,128,408
Area Development Incentives Act grant	—	3,471
Share purchase warrants exercised	300	—
Total funds provided	1,684,275	1,131,879
Applied as follows:		
Additions to plant and equipment (net of proceeds on disposals)	1,074,177	676,843
Deferred costs	600	85,113
Dividends	144,368	115,494
Reduction in minority shareholders' interest in subsidiary company	31,140	15,000
Total funds applied	1,250,285	892,450
Increase in working capital	$ 433,990	$ 239,429

consolidated statement of contributed surplus

Year ended December 31, 1972 with comparative figures for 1971

	1972	1971
Balance beginning of year	$ 1,435,704	$ 1,432,233
Add Area Development Incentives Act grant	—	3,471
Balance end of year	$ 1,435,704	$ 1,435,704

See accompanying notes to consolidated financial statements.

1. **Basis of Consolidation**
The consolidated financial statements include the accounts of all subsidiaries. All material inter-company items and transactions have been eliminated.
The company commenced on April 1, 1971, to amortize goodwill, being the excess of cost over recorded equity of a subsidiary at date of acquisition, to earnings over a ten year period. Such amortization in 1972 amounted to $16,476 (1971 — $12,357).

2. **Bank Advances**
The bank advances are secured by a general assignment of accounts receivable.

3. **8½% Sinking Fund Debentures, Series A due November 1, 1988**
These debentures are secured by a first floating charge on the company's undertaking and all its property and assets, except the accounts receivable assigned to secure the bank advances referred to in note 2, and may be prepaid at the holders' option on November 1, 1979. The company is required to establish a sinking fund sufficient to retire, in each of the years 1975 to 1979 inclusive, $220,000 of the debentures and thereafter is to make equal annual payments reducing the principal amount outstanding to $800,000 by November 1, 1988. The debentures will be redeemable at the option of the company, after November 1, 1974, at a premium of 6.25% reducing to par in the year of maturity.
The trust deed securing the debentures contains certain provisions restricting the payment of dividends. At December 31, 1972, $1,300,900 of consolidated retained earnings was free of such restrictions.

4. **Minority Shareholders' Interest in Subsidiary**
In 1972 all the outstanding preferred shares of a subsidiary, none of which were held by the company, were redeemed at par.

5. **Capital Stock**
As at December 31, 1972, 99,975 common shares were reserved with respect to share purchase warrants issued in association with the sale of the 8½% sinking fund debentures, Series A. Each warrant is exercisable to November 1, 1979 and entitles its holder to purchase one common share for $12.00. Twenty-five common shares were issued on the exercise of warrants during 1972.

6. **Earnings per Share**
Earnings per share are calculated using the weighted monthly average number of common shares outstanding during the respective years. The calculation of earnings per share on a fully diluted basis reflects the assumed exercise of the outstanding share purchase warrants.

7. **Commitments**
Under the companies' pension plans the unfunded liability for past service benefits was calculated as at January 1, 1972 as $232,000. This amount is being satisfied by the payment of and charge to the accounts of the companies in the amount of $24,900 annually.
A subsidiary leases certain properties for annual rentals aggregating $69,000 under long term leases extending to various dates from 1976 to 1979.
At December 31, 1972 contracts for plant and equipment additions amounted to approximately $250,000.

10 year financial review

(in $'000 except per share items)

	1972	1971	1970	1969	1968	1967	1966	1965	1964	1963
Net sales	**$27,252**	$24,203	$21,762	$21,202	$16,108	$13,286	$12,000	$11,231	$9,713	$7,559
Profit before income taxes and special items	**1,826**	1,046	327	319	631	886	677	908	895	632
Special profit (loss) Items	**—**	—	—	—	—	—	—	(25)	—	(65)
Net profit after income taxes	**981**	512	145	217	322	451	368	425	444	250
Expenditures on fixed assets	**1,074**	677	742	979	392	658	1,217	868	675	481
Provision for depreciation and amortization	**635**	579	525	632	603	586	479	418	329	285
Fixed assets at net book value	**5,014**	4,524	4,401	4,175	3,824	3,909	3,842	3,114	2,664	2,354
Net earnings per common share*	**$ 2.04**	$ 1.06	$ .30	$ .45	$ .67	$ .99	$ .80	$ .93	$ .97	$ .52
Dividends paid per common share*	**$ .30**	$ .24	$ .24	$ .24	$ .21	$ .20	$ .192	$ .167	$ .15	$ .10
Book value per common share*	**$ 11.95**	$ 10.21	$ 9.38	$ 9.31	$ 8.85	$ 8.25	$ 7.48	$ 6.87	$ 6.18	$ 5.36

*Note

Calculation of net earnings per common share is based on the weighted monthly average number of shares outstanding during the respective periods. Book value per common share is based on the number or shares outstanding at the end of the respective periods. The number of common shares and per share calculations have been adjusted where applicable to reflect the stock split in December 1968 whereby two additional shares were issued for each share held prior to the split.

directors

Robert J. Adams
Vice-President, Eastern Division, Reichhold Chemicals (Canada) Limited

Charles B. Breedlove
Vice-President, Midwest Division, Reichhold Chemicals Incorporated

Peter J. Fass
Executive Vice-President, Reichhold Chemicals Incorporated

George L. Hagen
President and Chief Executive Officer, Reichhold Chemicals (Canada) Limited

Herbert R. Helbig
Vice-President, International Division, Reichhold Chemicals Incorporated

Donald G. McNabb
Executive Vice-President, Reichhold Chemicals (Canada) Limited

Henry H. Reichhold
President and Chief Executive Officer Reichhold Chemicals Incorporated

Brian W. Shields, Q.C.
Partner, Law firm of Tory, Tory, Deslauriers & Binnington

W. Arthur Weismann
Vice-President, Sales, National Accounts, Reichhold Chemicals Incorporated;
Vice-President, Sales Promotion, Reichhold Chemicals (Canada) Limited

officers

H. H. Reichhold
Chairman of the Board

G. L. Hagen
President and Chief Executive Officer

D. G. McNabb
Executive Vice-President

W. A. Weismann
Vice-President, Sales Promotion

R. J. Adams
Vice-President, Eastern Division

L. Roy
Vice-President, Sales, Eastern Division

W. L. Anderson
Vice-President, Western Division

B. W. Shields
Secretary

B. Gallagher
Treasurer

plants and sales offices

Weston, Ontario (Head Office)
Ste. Therese de Blainville
Quebec
Lindsay, Ontario
North Bay, Ontario
Kamloops, British Columbia
Port Moody, British Columbia

subsidiary

The Canada Printing Ink Company Limited

Toronto, Ontario
Montreal, Quebec
Edmonton, Alberta
Moncton, New Brunswick
Ottawa, Ontario
Vancouver, British Columbia
Winnipeg, Manitoba

Registrar and Transfer Agent, Common Stock:

National Trust Co. Ltd., Toronto, Montreal, Vancouver, Calgary, Winnipeg

Auditors:

Peat, Marwick, Mitchell & Co., Commerce Court West, Toronto

Reichhold products:

type	applications
Surface Coating Resins Water Based & Solvent Type Alkyd, Urea, Melamine, Urethane, Polyvinyl Acetate (PVA), Acrylic, Styrene	House paints, industrial finishes, corrosion resistant coatings. Flooring and furniture finishes. Paper coatings.
Adhesive Resins Phenolic, Urea, PVA	Adhesives for plywood, particleboard, hardboard, waferboard. Compounded adhesives for packaging and furniture.
Polyesters	Fiberglass reinforced plastics (FRP), used for translucent panels, swimming pools, boats, snowmobiles, golfcarts and other recreational vehicles. FRP for bathroom fixtures, industrial equipment, corrosion resistant tanks and pipes. FRP for trailers, automotive and truck parts. Autobody patching compounds. Castings for simulated marble, furniture parts, buttons and art work.
Molding Compounds	Appliance handles, ignition parts, closures. Electrical switch gear, receptacles and switches.
Printing Inks & Printing Supplies	Inks for commercial printing including letterpress, lithographic, heatset web offset, magazines, books, newspapers. Supplies and equipment for the pressroom, layout and camera room.
Decorative & Industrial Treated Papers & Film Glue	Phenolic, urea, polyester, melamine, wood grained overlays for particle board. Overlays for plywood concrete forms. Paper film glue sheets for bonding wood veneers.
Specialty Industrial Resins & Specialty Chemicals	Phenolic bonding resins for sandpaper, brake linings, abrasive wheels, foundry castings and industrial laminates. Phenolic binders for rockwool and fiberglass insulation. Resins for no-iron textiles, wet strength paper and printing inks. Chemicals for rubber compounding and catalysts.
Foam Resins Phenolic & Urethane	Insulation for buildings, trucks, refrigerators and freezers. Flotation for boats and buoys. Furniture and molded decorative parts.
Formaldehyde	Raw material for urea, phenolic and melamine resins.

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